

NORTH IOWA REGIONAL HOUSING AUTHORITY
INDEPENDENT AUDITOR'S REPORTS
BASIC FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SEPTEMBER 30, 2012

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Kronlage & Olson, P.C.

Certified Public Accountants

Douglas E. Kronlage, CPA
John C. Olson, CPA

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
of North Iowa Regional Housing Authority:

We have audited the accompanying financial statements of the North Iowa Regional Housing Authority as of September 30, 2012 and 2011 and for the years then ended as listed in the table of contents. These financial statements are the responsibility of the North Iowa Regional Housing Authority management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the North Iowa Regional Housing Authority as of September 30, 2012 and 2011 and the changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2013, on our consideration of North Iowa Regional Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the North Iowa Regional Housing Authority's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by U.S. Office of Management and Budget Circular A-133 and the Financial Data Schedule required by the Department of Housing and Urban Development, Real Estate Assessment Center, are not required parts of the financial statements. The Schedule of Expenditures of Federal Awards and Financial Data Schedule are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Kronlage & Olson, P.C.

Charles City, Iowa

June 19, 2013

MANAGEMENT’S DISCUSSION AND ANALYSIS

North Iowa Regional Housing Authority (NIRHA) operates under two Department of Housing and Urban Development (HUD) programs, providing income-based housing and rental assistance to lower income families residing in the northern Iowa counties of Cerro Gordo, Floyd, Franklin, Hancock, Kossuth, Mitchell, Winnebago, and Worth. Although located within the above mentioned counties, the incorporated cities of Charles City, Mason City, and Riceville receive assistance from other housing authorities, and residents of those three communities are ineligible for assistance from NIRHA. A governing board, consisting of commissioners appointed by supervisors of each of the eight counties, hires an Executive Director to oversee the daily management of the housing authority and to supervise the administrative and maintenance staff as they work toward achieving the housing authority’s goals and mission.

The mission of the North Iowa Regional Housing Authority is to assist low-income families with decent, safe and affordable housing opportunities as they strive to achieve self-sufficiency and improve the quality of their lives. The Housing Authority is committed to operating in an efficient, ethical, and professional manner. The Housing Authority will create and maintain partnerships with its clients and appropriate community agencies in order to accomplish this mission.

The Public Housing (PH) Program provides assistance for low income families, elderly, and disabled persons in rental units owned and managed by NIRHA. Properties are located in ten northern Iowa communities. The units are designed to blend into and complement their respective neighborhoods. The units vary in bedroom sizes and range in style from duplexes and multi-family town houses with separate entrances to a multi-level apartment building. Tenant rents are income-based at approximately 30% of income. Rental income is generally insufficient for NIRHA to operate the properties, and HUD operating subsidies are used to provide a significant portion of the revenue gap. Capital improvement grants from HUD permit NIRHA to maintain the physical structure of the buildings and improve energy efficiency.

The Housing Choice Voucher (HCV) program is designed to enable elderly, disabled, and low income families the opportunity to rent decent, safe, and sanitary housing. The HCV program permits participants to rent an apartment or house from the private rental market. Participants’ rent is income-based and initial lease-up rent does not exceed 40% of their adjusted monthly family income. Participants pay their portion of the rent to their landlords, and the balance of the rent is paid by NIRHA directly to the landlords. HUD subsidizes 100% of the landlord payments made by NIRHA. HUD also provides an administrative fee grant to NIRHA to defray costs of administering the program.

Operating and financial data for both the PH and HCV programs is closely monitored by HUD via monthly and annual reporting. HUD reporting also includes tenant income eligibility and family data. On-site compliance reviews are periodically scheduled by HUD to validate report data and to insure program integrity.

North Iowa Regional Housing Authority’s performance and goals are dedicated to complying with program administration regulations. NIRHA has developed a system of internal procedures to ensure that expenditures represent allowable costs and are properly documented and approved. Procedures also ensure that calculations related to rent subsidies are accurate and in accordance with federal regulations. Additional procedures are in place to ensure NIRHA is in compliance with state and local laws. Policies are continually reviewed for legal and regulatory changes as well as changes in circumstances.

NIRHA depends almost exclusively upon federal funding. Recently, Congress has delayed and/or failed to pass a Federal budget, and operates under Continuing Resolutions. HUD is then forced to prorate subsidies so as to allow for potential changes in funding from Congress. This grant revenue uncertainty, coupled with continued increases in fuel and material costs, makes it difficult to budget appropriately. It causes further difficulty projecting the agency's financial needs for the next three to five years. NIRHA has carefully earmarked and used available HUD capital improvement funding to complete major public housing repairs and to make the units energy efficient. Reductions in federal funding could jeopardize future site improvements, as well as challenge the administrative operating efficiency of the agency. The commissioners and management of NIRHA continually monitor funding trends and make adjustments necessary to maintain financial stability.

2012 FINANCIAL INFORMATION

The following pages contain a narrative overview and analysis highlighting key financial activities for the fiscal year ended September 30, 2012, with comparative data from the fiscal years ended September 30, 2011 and 2010 respectively. We encourage readers to consider this information in conjunction with the housing authority's audited financial statements.

The accompanying audited financial statements were prepared using the accrual basis of accounting and the economic resources measurement focus, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account, regardless of when cash is received or paid.

The *Statement of Net Assets* presents all of NIRHA's assets and liabilities, with the difference between the two reported as "net assets." Increases or decreases in net assets may, over time, serve as a useful indicator of whether the financial position of NIRHA is improving or deteriorating. NIRHA's net assets have been decreasing; however, if the non-cash amount of property depreciation was not entered into the net asset computation, net assets would have increased.

	2012	2011	2010
Current and other assets	\$ 691,900	\$ 762,698	\$ 791,398
Capital assets	<u>3,930,975</u>	<u>4,089,520</u>	<u>4,188,690</u>
Total assets	<u>\$ 4,622,875</u>	<u>\$ 4,852,218</u>	<u>\$ 4,980,088</u>
Short-term liabilities	\$ 83,927	\$ 80,595	\$ 88,709
Other liabilities	<u>15,192</u>	<u>15,950</u>	<u>13,161</u>
Total liabilities	<u>\$ 99,119</u>	<u>\$ 96,545</u>	<u>\$ 101,870</u>
Net assets:			
Invested in capital assets, net of related debt	\$ 3,930,975	\$ 4,089,520	\$ 4,188,690
Restricted	89,733	117,140	136,059
Unrestricted	<u>503,048</u>	<u>549,013</u>	<u>553,469</u>
Total net assets	<u>\$ 4,523,756</u>	<u>\$ 4,755,673</u>	<u>\$ 4,878,218</u>

- Assets exceeded liabilities by approximately \$4,523,800 as of September 30, 2012. The major component of assets is the investment in land, buildings, improvements, equipment, and construction in progress, net of depreciation. Current assets of \$691,900 comprise the other major asset component. Cash and investments represent the majority of current assets.

- Liabilities totaling approximately \$99,100 are all current, except for the long-term accrual of compensated employee absences. Liabilities are comprised mostly of vendor accounts payable, tenant security deposits, tenant prepaid rents (credit balances), and accrued expenses. NIRHA is fortunate to have no long-term debt.

The *Statement of Revenues, Expenses, and Changes in Net Assets* presents information showing how net assets changed during the most recent fiscal year, and compares the data to the prior fiscal year. All changes in net assets are reported when the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not impact cash flow until future fiscal periods.

	2012	2011	2010
Revenue by source			
Rents	\$ 193,247	\$ 182,456	\$ 176,154
Grants and contributions	1,617,298	1,666,832	1,628,570
Miscellaneous	<u>25,206</u>	<u>22,029</u>	<u>30,773</u>
Total revenues	<u>\$ 1,835,751</u>	<u>\$ 1,871,317</u>	<u>\$ 1,835,497</u>
Expenditures			
Administration	\$ 446,200	\$ 437,558	\$ 370,211
HAP payments	1,258,642	1,171,864	1,127,850
Depreciation	303,372	285,562	275,414
Maintenance and Other	179,048	202,642	207,497
Miscellaneous	<u>18,277</u>	<u>48,810</u>	<u>51,352</u>
Total expenses	<u>\$ 2,205,539</u>	<u>\$ 2,146,436</u>	<u>\$ 2,032,324</u>
Non-operating revenues (expenses)			
Capital contributions	\$ 135,039	\$ 146,585	\$ 342,541
Other	<u>2,832</u>	<u>5,989</u>	<u>7,026</u>
Total non-operating revenues	<u>\$ 137,871</u>	<u>\$ 152,574</u>	<u>\$ 349,567</u>
Change in net assets	\$ (231,917)	\$ (122,545)	\$ 152,740
Net assets at beginning of year	<u>\$ 4,755,673</u>	<u>\$ 4,878,218</u>	<u>\$ 4,725,478</u>
Net assets at end of year	<u>\$ 4,523,756</u>	<u>\$ 4,755,673</u>	<u>\$ 4,878,218</u>

- Rental income from tenants residing in the public housing units owned by the housing authority, plus grants from HUD, represent the majority of the operating revenue of NIRHA. Likewise, payments to landlords for tenants participating in the HCV program constitute the single largest operating expense. Administrative expenses, PH maintenance expenses, and depreciation comprise most of the remaining operating expenses.
- Combined operating revenues of the two programs operated by NIRHA remained fairly stable, decreasing only 2%, or approximately \$35,600 from fiscal year 2011 to fiscal year 2012. The decrease is a result of lowered funding from HUD and is likely indicative of lower future subsidies.
- Maintaining full occupancy in public housing units is an on-going challenge, considering the continual turnover of tenants. Rental income is subject to the ebb and flow of tenant income.
- NIRHA has strived to maintain close to the maximum number of HCV units permitted by the agency's contract with HUD. As the number of program participants increases, the dollar amount expended to landlords also increases. HUD provides funding based upon the number of HCV tenants and the dollar amount paid to landlords, so as expenses increase, revenues also increase. Likewise, HUD provides an administrative grant to operate the program, and the grant is based directly upon the number of units served. Although, HUD has adjusted the per unit value of the subsidy due to Congressional budgetary constraints, the total amount of the administrative grant did increase slightly because the number of units served increased compared to prior years.

- NIRHA adopts annual operating budgets for the PH and HCV programs based upon expected federal grants awarded. All budgets are prepared on a basis prescribed by HUD which is materially consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at calendar year-end. It is difficult to anticipate changing economic conditions which impact tenant incomes and thereby impacting the housing authority's budget. It is also difficult to predict funding amounts from HUD, since federal budget and grant information has not been available until near the end of NIRHA's fiscal year. NIRHA continually searches for cost saving measures to minimize the effects of uncontrolled revenue reductions.

The financial reports are designed to present our citizens, taxpayers, customers, investors, creditors, and other users with a general overview of the housing authority's finances and operating activities. If you have any questions or require additional information, please contact:

North Iowa Regional Housing Authority
202 1st St., S.E., Suite 203
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641-423-0897

NORTH IOWA REGIONAL HOUSING AUTHORITY
Statements of Net Assets
Years Ended September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 469,121	\$ 412,738
Investments	115,543	215,680
Receivables:		
Accounts receivable-Tenants	1,270	162
Accounts receivable-Other	675	140
Accrued interest	27	925
Prepaid expenses	15,531	15,913
Total current assets	<u>\$ 602,167</u>	<u>\$ 645,558</u>
Non-current assets:		
Restricted assets:		
Cash	\$ 89,733	\$ 117,140
Total restricted assets	<u>\$ 89,733</u>	<u>\$ 117,140</u>
Capital assets:		
Land	\$ 915,269	\$ 915,269
Buildings and improvements	6,738,419	6,693,978
Equipment	259,391	185,254
Leasehold improvements	4,674	4,674
Total capital assets	<u>\$7,917,753</u>	<u>\$7,799,175</u>
Less accumulated depreciation	<u>3,986,778</u>	<u>3,709,655</u>
Net capital assets	<u>\$3,930,975</u>	<u>\$4,089,520</u>
Total non-current assets	<u>\$4,020,708</u>	<u>\$4,206,660</u>
Total assets	<u>\$4,622,875</u>	<u>\$4,852,218</u>
LIABILITIES:		
Current liabilities:		
Accounts payable	\$ 22,050	\$ 19,272
Accrued expenses:		
Payroll	6,444	6,386
Compensated absences	9,016	13,401
Other	14,595	13,281
Deferred revenue	2,618	1,951
Security deposits	29,204	26,304
Total current liabilities	<u>\$ 83,927</u>	<u>\$ 80,595</u>
Non-current liabilities:		
Accrued compensated absences	<u>\$ 15,192</u>	<u>\$ 15,950</u>
Total liabilities	<u>\$ 99,119</u>	<u>\$ 96,545</u>
NET ASSETS:		
Invested in capital assets, net of related debt	\$3,930,975	\$4,089,520
Restricted		
Expendable	89,733	117,140
Unrestricted	<u>503,048</u>	<u>549,013</u>
Total net assets	<u>\$4,523,756</u>	<u>\$4,755,673</u>

See Notes to Financial Statements.

NORTH IOWA REGIONAL HOUSING AUTHORITY
Statements of Revenues, Expenses, and Changes in Net Assets
Years Ended September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Operating Revenues:		
Rent	\$ 193,247	\$ 182,456
Grants and contributions	1,617,298	1,666,832
Miscellaneous	25,206	22,029
Total operating revenue	<u>\$1,835,751</u>	<u>\$1,871,317</u>
Operating Expenses:		
Administrative	\$ 446,200	\$ 437,558
Utilities	28,485	32,264
Maintenance	150,563	170,378
Depreciation	303,372	285,562
HAP payments	1,258,642	1,171,864
Tenant services	1,847	1,815
Miscellaneous	16,430	46,995
Total operating expenses	<u>\$2,205,539</u>	<u>\$2,146,436</u>
Operating income (loss)	<u>\$ (369,788)</u>	<u>\$ (275,119)</u>
Non-operating revenues:		
Interest	\$ 2,832	\$ 5,989
Income before contributions and transfers	\$ (366,956)	\$ (269,130)
Contributions and transfers:		
Contributions	<u>135,039</u>	<u>146,585</u>
Change in net assets	\$ (231,917)	\$ (122,545)
Net assets beginning of year	<u>4,755,673</u>	<u>4,878,218</u>
Net assets end of year	<u>\$4,523,756</u>	<u>\$4,755,673</u>

See Notes to Financial Statements.

NORTH IOWA REGIONAL HOUSING AUTHORITY
Statements of Cash Flows
Years Ended September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Cash Flows from Operating Activities:		
Cash received from rental receipts	\$ 192,139	\$ 184,014
Cash received from HUD	1,482,259	1,666,832
Cash paid to employees for services	(290,713)	(303,493)
Cash paid to suppliers of goods or services	(215,752)	(387,770)
Cash paid for HAP payments	(1,258,642)	(1,171,864)
Proceeds from miscellaneous items	25,206	22,029
Proceeds from tenant security deposits	2,900	1,000
Net cash provided (used) by operating activities	<u>\$ (62,603)</u>	<u>\$ 10,748</u>
Cash Flows from Capital and Related Financing Activities:		
HUD capital grants received	<u>\$ 135,039</u>	<u>\$ 146,585</u>
Cash Flows from Investing Activities:		
Purchase of investments	\$ (1,148)	\$ (104,901)
Proceeds from sale of investments	101,285	100,980
Interest received	4,080	6,289
Purchase of capital assets	(95,859)	(17,120)
Capital improvements	(51,818)	(169,272)
Net cash provided (used) by investing activities	<u>\$ (43,460)</u>	<u>\$ (184,024)</u>
Net increase (decrease) in cash	\$ 28,976	\$ (26,691)
Cash beginning of year	<u>529,878</u>	<u>556,569</u>
Cash end of year	<u>\$ 558,854</u>	<u>\$ 529,878</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ (369,788)	\$ (275,119)
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Depreciation expense	303,372	285,562
Bad debt expense	2,500	3,800
Change in assets and liabilities:		
(Increase) decrease in receivables	(1,643)	3,373
(Increase) decrease in prepaid expenses	382	(1,543)
Increase (decrease) in security deposits	2,900	1,000
Increase (decrease) in accounts and contracts payable	2,778	541
Increase (decrease) in accrued expenses	(3,771)	(6,370)
Increase (decrease) in other liabilities	<u>667</u>	<u>(496)</u>
Net cash provided by operating activities	<u>\$ (62,603)</u>	<u>\$ 10,748</u>

See Notes to Financial Statements.

NORTH IOWA REGIONAL HOUSING AUTHORITY
Notes to Financial Statements
September 30, 2012

(1) Summary of Significant Accounting Policies

A. Reporting Entity

The North Iowa Regional Housing Authority is a special purpose government organization organized under Iowa Code Chapters 28E, Joint Exercise of Governmental Powers, and 403A, Municipal Housing Projects. The Authority is located in Mason City, Iowa, and serves an eight county area. The Authority has an appointed governing body from the eight county area. The Authority's revenue is generated by rents from their 121 conventional low rent units and an additional 398 Section 8 Housing Choice Voucher units. The Authority is subject to Section 8 Housing Assistance Payments agreements with the U.S. Department of Housing and Urban Development (HUD). The Authority's major program is its Section 8 Housing Choice Voucher Program.

For financial reporting purposes, North Iowa Regional Housing Authority has included all funds, organizations, agencies, boards, commissions and authorities. The Authority has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the Authority are such that exclusion would cause the Authority's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the Authority to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the Authority. North Iowa Regional Housing Authority has no component units which meet the Governmental Accounting Standards Board criteria.

B. Measurement Focus and Basis of Accounting

The North Iowa Regional Housing Authority maintains its financial records on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of proprietary funds are user fees and charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Authority has elected not to follow subsequent private-sector guidance.

NORTH IOWA REGIONAL HOUSING AUTHORITY
Notes to Financial Statements
September 30, 2012

(1) Summary of Significant Accounting Policies - (continued)

C. Assets, Liabilities and Net Assets

Cash Management and Investments

The Authority maintains two primary demand deposit accounts through which the majority of the Authority's cash resources are processed. The Authority's cash and cash equivalents include amounts in demand deposits as well as short-term investments with an original maturity date within three months of the date acquired by the Authority.

Trade Receivables

Trade receivables as of September 30, 2012 and 2011, are net of \$418 and \$1,363 allowance for doubtful accounts, respectively.

Restricted Assets

Assets which can be designated by the Board of Commissioners for any use within the Authority's purpose are considered to be unrestricted assets. Assets which are restricted for specific uses by debt requirements, grant provisions, or other requirements are classified as restricted assets. Liabilities which are payable from restricted assets, are classified as such. When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

Capital Assets

Capital assets, which include land, buildings, improvements other than buildings, and equipment are reported by the Authority. Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair-market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Buildings, improvements other than buildings, and equipment are depreciated using the straight-line method over the following estimated useful lives:

Buildings and structures	40 years
Improvements other than buildings	15 years
Equipment	3 to 10 years

Accrued Expenses

Authority employees earn paid days off (PDO) at rates dependent on years of service. Accumulation of more than 65 days will be forfeited if not used. This liability has been computed based on rates of pay in effect at September 30, 2012.

Since the Authority is a government agency, it does not pay property tax on the public housing properties it owns. The Authority accrues 10% of the dwelling rent less utilities as payment in lieu of taxes (PILOT) to be remitted to each county where property is located. Some counties have agreed to waive the PILOT.

NORTH IOWA REGIONAL HOUSING AUTHORITY
Notes to Financial Statements
September 30, 2012

(2) Cash and Investments

The Authority's deposits in banks at September 30, 2012 were entirely covered by Federal depository insurance or by the State Sinking fund in accordance with Chapter 12C of the Code of Iowa. This Chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The Authority is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Authority; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

The Authority had no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 3, as amended by Statement No. 40.

(3) Capital Assets

Capital asset activity for the year ended September 30, 2012 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 915,269	\$ -	\$ -	\$ 915,269
Construction in progress	-	-	-	-
Total capital assets, not being depreciated	<u>\$ 915,269</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 915,269</u>
Capital assets, being depreciated:				
Buildings and improvements	\$6,693,979	\$ 51,818	\$ 7,378	\$6,738,419
Equipment	185,253	97,682	23,544	259,391
Leasehold improvements	4,674	-	-	4,674
Total capital assets being depreciated	<u>\$6,883,906</u>	<u>\$ 149,500</u>	<u>\$ 30,922</u>	<u>\$7,002,484</u>
Less accumulated depreciation	<u>3,709,655</u>	<u>303,372</u>	<u>26,249</u>	<u>3,986,778</u>
Total capital assets being depreciated, net	<u>\$3,174,251</u>	<u>\$ (153,872)</u>	<u>\$ 4,673</u>	<u>\$3,015,706</u>
Total capital assets, net	<u>\$4,089,520</u>	<u>\$ (153,872)</u>	<u>\$ 4,673</u>	<u>\$3,930,975</u>

Depreciation expense charged to operations for the years ended September 30, 2012 and 2011 were \$303,372 and \$285,562, respectively.

NORTH IOWA REGIONAL HOUSING AUTHORITY
Notes to Financial Statements
September 30, 2012

(4) Pension and Retirement Benefits

IPERS - The Authority contributes to the Iowa Public Employees Retirement System (IPERS) which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117.

Plan members are required to contribute 5.38% of their covered salary with the member's contribution increasing to 5.78% on July 1, 2012. The Authority is required to contribute 8.07% of covered payroll with the Authority's contribution increasing to 8.67% on July 1, 2012. Contribution requirements are established by State statute. The Authority's contribution to IPERS for the years ended September 30, 2012, 2011 and 2010 were \$23,777, \$21,539, and \$17,302, respectively, equal to the required contribution for the year.

(5) Contingencies

Under terms of federal grants with HUD, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under terms of the grants. Such audits could lead to reimbursement to HUD. Authority management believes disallowances, if any, will be immaterial.

Payroll taxes collected from employees are subject to audit by federal and state governments. Any adjustments in these amounts may constitute a liability of the Authority. The amount of these changes, if any, made by federal or state governments cannot be determined at this time.

The Authority is currently in dispute with a software provider. The Authority alleges the product is not responsive to the Authority's needs and does not perform as required. The Authority has notified the vendor that it will not pay for the \$28,000 of software billings. This amount has not been included in the current year financial statements.

(6) Related Party Transactions

The Authority had no business transactions between the Authority and Authority officials and employees during the year ended September 30, 2012.

(7) Risk Management

The North Iowa Regional Housing Authority is exposed to various risks of loss related to torts; theft; damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. The Authority assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NORTH IOWA REGIONAL HOUSING AUTHORITY
Notes to Financial Statements
September 30, 2012

(8) Operating Lease Activity

The Authority leases office space under a five-year lease extension expiring December 31, 2016. Monthly lease payments are \$1,498 plus common area costs estimated at \$721 per month. Lease expense amounted to \$28,804 for the year ended September 30, 2012. Future minimum lease payments under this lease are as follows:

<u>FYE</u>	
2013	\$ 26,630
2014	26,630
2015	26,630
2016	26,630
2017	6,657
	<u>\$113,177</u>

The lease agreement allows for one additional term of five years at the current rate.

(9) Current Vulnerability Due to Certain Concentrations

The Authority's operations are concentrated in the multi-family real estate market. In addition, the Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden to comply with a change.

(10) Termination Benefits

As of September 30, 2012, the Authority had no terminated employees participating in continuation of health care coverage available from the Authority. Participants pay 100% of the premium for continuing coverage. Continuation coverage benefits are available for eligible employees for nine months. Upon termination, employees are paid for compensated absences that have been accrued up to termination date.

(11) Subsequent Events - Date of Management Evaluation

Management has evaluated subsequent events through June 19, 2013, the date on which the financial statements were available to be issued.

NORTH IOWA REGIONAL HOUSING AUTHORITY
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2012

<u>Grantor/Program</u>	<u>CFDA Number</u>	<u>Agency or Pass-Through Number</u>	<u>Program Expenditures</u>
<u>Federal Awards</u>			
Direct:			
Department of Housing and Urban Development:			
Public and Indian Housing	14.850	IA000000110D	\$ 170,070
Section 8 Housing Choice Vouchers	14.871	IA127VO	1,247,899
Public Housing Capital Fund:			
Fiscal Year 2012	14.872	IA05P127501-12	<u>135,039</u>
Total federal expenditures			<u>\$1,553,008</u>

Basis of Presentation - The Schedule of Expenditures of Federal Awards includes the federal grant activity of the North Iowa Regional Housing Authority. The information on this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

See accompanying independent auditor's report.



Kronlage & Olson, P.C.

Certified Public Accountants

Douglas E. Kronlage, CPA
John C. Olson, CPA

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners
North Iowa Regional Housing Authority:

We have audited the financial statements of the North Iowa Regional Housing Authority as of and for the year ended September 30, 2012, and have issued our report thereon dated June 19, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of North Iowa Regional Housing Authority is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered North Iowa Regional Housing Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of North Iowa Regional Housing Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the North Iowa Regional Housing Authority's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined previously.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether North Iowa Regional Housing Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, Board of Commissioners, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the North Iowa Regional Housing Authority during the course of our audit.

Kronlage & Olson, P.C.

Charles City, Iowa

June 19, 2013



Kronlage & Olson, P.C.

Certified Public Accountants

Douglas E. Kronlage, CPA
John C. Olson, CPA

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A
DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Commissioners
North Iowa Regional Housing Authority:

Compliance

We have audited North Iowa Regional Housing Authority's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of North Iowa Regional Housing Authority's major federal programs for the year ended September 30, 2012. The North Iowa Regional Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of North Iowa Regional Housing Authority's management. Our responsibility is to express an opinion on North Iowa Regional Housing Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about North Iowa Regional Housing Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of North Iowa Regional Housing Authority's compliance with those requirements.

In our opinion, North Iowa Regional Housing Authority complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2012.

Internal Control Over Compliance

Management of North Iowa Regional Housing Authority is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered North Iowa Regional Housing Authority's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of North Iowa Regional Housing Authority's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

North Iowa Regional Housing Authority's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit North Iowa Regional Housing Authority's responses and, accordingly, we express no opinion on the responses.

This report, a public record by law, is intended solely for the information and use of management, North Iowa Regional Housing Authority commissioners, others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Kronlage & Olson, P.C.

Charles City, Iowa

June 19, 2013

NORTH IOWA REGIONAL HOUSING AUTHORITY
Schedule of Findings and Questioned Costs
Year Ended September 30, 2012

Part I: Summary of the Independent Auditor's Results:

- (a) An unqualified opinion was given on the financial statements.
- (b) The audit did not disclose any deficiencies in internal control over financial reporting.
- (c) The audit did not disclose any noncompliance which is material to the financial statements.
- (d) The audit did not disclose any deficiencies in internal control over major programs.
- (e) An unqualified opinion was issued on compliance with requirements applicable to the Authority's major programs.
- (f) The audit disclosed no audit findings which were required to be reported in accordance with Office of Management and Budget Circular A-133, Section .510(a).
- (g) Programs tested as major programs were as follows:
 - CFDA Number 14.871 - Section 8 Housing Choice Vouchers
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- (i) The Authority qualifies as a low-risk auditee.

Part II: Findings Related to the Financial Statements:

INSTANCES OF NONCOMPLIANCE:

There were no prior year or current year instances of noncompliance identified.

MATERIAL WEAKNESSES:

There were no prior year or current year material weaknesses identified.

Part III: Findings and Questioned Costs for Federal Awards:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Section 8 Housing Choice Voucher - CFDA 14.871

INSTANCES OF NONCOMPLIANCE:

There were no current year instances of noncompliance identified.

MATERIAL WEAKNESSES:

There were no current year material weaknesses identified.

NORTH IOWA REGIONAL HOUSING AUTHORITY
Schedule of Findings and Questioned Costs
Year Ended September 30, 2012

Part IV: Summary Schedule of Prior Audit Findings:

There were no prior year audit findings.

Part V: Other Findings Related to Required Statutory Reporting:

- V-12-01 Official Depositories - A resolution naming official depositories has been approved by the Authority.
- V-12-02 Questionable Expenditures - We noted no expenditures that may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979.
- V-12-03 Travel Expense - No expenditures of Authority money for travel expenses of spouses of Authority officials or employees were noted. No travel advances to Authority officials or employees were noted.
- V-12-04 Business Transactions - There were no business transactions between the Authority and Authority officials or employees.
- V-12-05 Bond Coverage - Surety bond coverage of Authority officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to insure that the coverage is adequate for current operations.
- V-12-06 Deposits and Investments - We noted no instances of noncompliance with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the Authority's investment policy.
- V-12-07 Authority Minutes - No transactions were found that we believe should have been approved in the Authority minutes but were not.

NORTH IOWA REGIONAL HOUSING AUTHORITY						
FINANCIAL DATA SCHEDULE						
September 30, 2012						
		Low-	Section 8	Housing		
FDS		Rent	Housing	Capital		
Line		Public	Choice	Fund		
Item		Housing	Vouchers	Program	Business	
Number	Account Description	14.850	14.871	14.872	Account	Total
111	Cash - Unrestricted	361,692	91,473	-	1,405	454,570
113	Cash - Restricted	-	89,733	-	-	89,733
114	Cash - Tenant Security Deposits	29,079	-	-	-	29,079
100	Total Cash	390,771	181,206	-	1,405	573,382
124	Accounts Receivable - Other Governments	-	-	-	-	-
125	Accounts Receivable - Miscellaneous	-	-	-	-	-
	Landlord for HAP overpayment	-	675	-	-	675
126	Accounts Receivable - Tenants	1,688	-	-	-	1,688
126.1	Allowance for Doubtful Accounts - Dwelling Rents	(418)	-	-	-	(418)
129	Interest Receivable	26	-	-	-	26
120	Total Receivables, Net of Allowances for Doubtful Accounts	1,296	675	-	-	1,971
	Accounts					
131	Investments - Unrestricted	101,015	-	-	-	101,015
132	Investments - Restricted	-	-	-	-	-
142	Prepaid Expenses & Other Assets	8,813	6,718	-	-	15,531
144	Interprogram Due From	-	-	-	-	-
150	Total Current Assets	501,895	188,599	-	1,405	691,899
161	Land	915,268	-	-	-	915,268
162	Buildings	6,738,420	-	-	-	6,738,420
163	Furniture, Equipment & Machinery - Dwellings	166,790	-	-	-	166,790
164	Furniture, Equipment & Machinery - Administration	92,602	-	-	-	92,602
165	Leasehold Improvements	4,674	-	-	-	4,674
166	Accumulated Depreciation	(3,986,779)	-	-	-	(3,986,779)
160	Total Fixed Assets, Net of Accumulated Depreciation	3,930,975	-	-	-	3,930,975
180	Total Non-Current Assets	3,930,975	-	-	-	3,930,975
190	Total Assets	4,432,870	188,599	-	1,405	4,622,874
312	Accounts Payable <=90 Days	22,050	-	-	-	22,050
321	Accrued Wage/Payroll Taxes Payable	4,123	2,321	-	-	6,444
322	Accrued Compensated Absences - Current Portion	5,855	3,161	-	-	9,016
331	Accounts Payable - HUD PHA Programs	-	348	-	-	348
333	Accounts Payable - Other Governments (PILOT)	-	-	-	-	-
	PILOT	7,063	-	-	-	7,063
341	Tenant Security Deposits	29,204	-	-	-	29,204
342	Deferred Revenues	-	-	-	-	-
	Prepaid Rents	2,618	-	-	-	2,618
346	Accrued Liabilities - Other	7,184	-	-	-	7,184
310	Total Current Liabilities	78,097	5,830	-	-	83,927
354	Accrued Compensated Absences - Non-current Portion	8,231	6,961	-	-	15,192
350	Total Non-current Liabilities	8,231	6,961	-	-	15,192
300	Total Liabilities	86,328	12,791	-	-	99,119
508.1	Invested in Capital Assets, Net of Related Debt	3,930,975	-	-	-	3,930,975
511.1	Restricted Net Assets	-	89,733	-	-	89,733
512.1	* Unrestricted Net Assets	415,567	86,075	-	1,405	503,047

NORTH IOWA REGIONAL HOUSING AUTHORITY						
FINANCIAL DATA SCHEDULE						
September 30, 2012						
		Low-	Section 8	Housing		
FDS		Rent	Housing	Capital		
Line		Public	Choice	Fund		
Item		Housing	Vouchers	Program	Business	
Number	Account Description	14.850	14.871	14.872	Account	Total
513	Total Equity/Net Assets	4,346,542	175,808	-	1,405	4,523,755
600	Total Liabilities & Equity/Net Assets	4,432,870	188,599	-	1,405	4,622,874
70300	Net Tenant Rental Revenue	193,247	-	-	-	193,247
70400	Tenant Revenue - Other	8,176	-	-	-	8,176
70500	Total Tenant Revenue	201,423	-	-	-	201,423
70600	HUD PHA Operating Grants	172,437	1,445,906	-	-	1,618,343
	Housing Assistance Payments	-	1,225,924	-	-	1,225,924
	Administrative Fees	-	219,982	-	-	219,982
70610	Capital Grants	-	-	135,039	-	135,039
71100	Investment Income - Unrestricted	2,367	293	-	-	2,660
71400	Fraud Recovery	-	10,278	-	-	10,278
	NIRHA Portion	-	5,139	-	-	
	HUD (HAP) Portion	-	5,139	-	-	
71500	Other Revenue	4,320	1,187	-	200	5,707
71600	Gain/Loss on Sale of Fixed Assets	-	-	-	-	-
72000	Investment Income - Restricted	-	173	-	-	173
70000	Total Revenue	380,547	1,457,837	135,039	200	1,973,623
91100	Administrative Salaries	119,591	102,982	-	-	222,573
91200	Auditing Fees	1,702	5,698	-	-	7,400
91500	Employee Benefit Contributions - Administrative	40,290	36,308	-	-	76,598
91600	Office Expenses	29,758	46,739	-	-	76,497
91700	Legal Expense	2,379	2,429	-	-	4,808
91800	Travel	940	986	-	-	1,926
91000	Total Operating - Administrative	194,660	195,142	-	-	389,802
92400	Tenant Services - Other	1,815	32	-	-	1,847
92500	Total Tenant Services	1,815	32	-	-	1,847
93100	Water	3,059	-	-	-	3,059
93200	Electricity	13,252	-	-	-	13,252
93300	Gas	7,590	-	-	-	7,590
93600	Sewer	4,584	-	-	-	4,584
93000	Total Utilities	28,485	-	-	-	28,485
94100	Ordinary Maintenance & Operations - Labor	63,053	-	-	-	63,053
94200	Ordinary Maintenance & Operations - Materials & Other	29,995	-	-	-	29,995
94300	Ordinary Maintenance & Operations - Contract Costs	57,514	-	-	-	57,514
	Garbage and Trash Removal	4,267	-	-	-	4,267
	Heating and Cooling	8,801	-	-	-	8,801
	Snow Removal	3,856	-	-	-	3,856
	Elevator Maintenance	5,770	-	-	-	5,770
	Landscape and Grounds	12,459	-	-	-	12,459
	Unit Turnaround	1,889	-	-	-	1,889

NORTH IOWA REGIONAL HOUSING AUTHORITY						
FINANCIAL DATA SCHEDULE						
September 30, 2012						
		Low-	Section 8	Housing		
FDS		Rent	Housing	Capital		
Line		Public	Choice	Fund		
Item		Housing	Vouchers	Program	Business	
Number	Account Description	14.850	14.871	14.872	Account	Total
	Electrical	404	-	-	-	404
	Plumbing	7,362	-	-	-	7,362
	Extermination	1,000	-	-	-	1,000
	Janitorial	3,180	-	-	-	3,180
	Routine Maintenance	1,323	-	-	-	1,323
	Miscellaneous Contracts	7,203	-	-	-	7,203
94500	Employee Benefit Contributions - Ordinary Maintenance	23,824	-	-	-	23,824
94000	Total Maintenance	174,401	-	-	-	174,401
96110	Property Insurance	21,649	6,035	-	-	27,684
96120	Liability Insurance	2,224	2,515	-	-	4,739
96130	Workmen's Compensation	4,378	2,463	-	-	6,841
96100	Total Insurance premiums	28,251	11,013	-	-	39,264
96200	Other General Expenses	179	-	-	-	179
96300	Payments in Lieu of Taxes	7,063	-	-	-	7,063
96400	Bad Debts - Tenant Rents	2,500	-	-	-	2,500
96000	Total Other General Expenses	9,742	-	-	-	9,742
96900	Total Operating Expenses	437,354	206,187	15	-	643,571
97000	Excess Operating Revenue Over Operating Expenses	(56,807)	1,251,650	135,024	200	1,330,052
97300	Housing Assistance Payments	-	1,258,642	-	-	1,258,642
97400	Depreciation Expense	303,372	-	-	-	303,372
90000	Total Expenses	740,726	1,464,829	15	-	2,205,585
10010	Operating Transfers In	-	-	-	-	-
10020	Operating Transfers Out	-	-	-	-	-
10070	Extraordinary Items (Net Gain/Loss)	-	-	-	-	-
10100	Total Other Financing Sources (Uses)	-	-	-	-	-
10000	Excess (Deficiency) of Operating Revenue Over (Under) Total Expenses	(360,179)	(6,992)	135,024	200	(231,962)
	Memo Account Information:					
11020	* Required Annual Debt Principal Payments	-	-	-	-	-
11030	* Beginning Equity	4,571,669	182,800	-	1,205	4,755,674
11040	Prior Period Adjustments, Equity Transfers & Correction of Errors (DETAIL REQUIRED)	135,037	(1)	135,039	-	270,075
	Transfer in from Stimulus	-	-	-	-	-
	Transfer in from CFP	135,039	-	-	-	135,039
	Transfer out of Stimulus	-	-	-	-	-
	Transfer out of CFP	-	-	135,039	-	135,039
	Rounding adjustment	(2)	(1)			(3)
11170-001	Administrative Fee Equity - Beginning Balance	-	65,662	-	-	
11170-010	Administrative Fee Revenue	-	219,982	-	-	
11170-020	Hard to House Fee Revenue	-	-	-	-	
11170-040	Investment Income	-	293	-	-	
11170-045	Fraud Recovery Revenue	-	5,139	-	-	

NORTH IOWA REGIONAL HOUSING AUTHORITY						
FINANCIAL DATA SCHEDULE						
September 30, 2012						
		Low-	Section 8	Housing		
FDS		Rent	Housing	Capital		
Line		Public	Choice	Fund		
Item		Housing	Vouchers	Program	Business	
Number	Account Description	14.850	14.871	14.872	Account	Total
11170-050	Other Revenue	-	1,187	-	-	
11170-051	Comment for Other Revenue	-	-	-	-	
	Port-in admin fees and audit adjustment for void checks					
11170-060	Total Admin Fee Revenues	-	226,616	-	-	
11170-080	Total Operating Expenses	-	206,187	-	-	
11170-110	Total Expenses	-	206,187	-	-	
11170-002	Net Administrative Fee	-	20,429	-	-	
11170-003	Administrative Fee Equity - Ending Balance	-	86,075	-	-	
11170	Administrative Equity	-	86,075	-	-	
11180	Housing Assistance Payments Equity	-	89,733	-	-	
11190	* Unit Months Available	1,452	4,776	-	-	
11210	* Number of Unit Months Leased	1,381	4,674	-	-	
11610	* Land Purchases	-	-	-	-	
11620	* Building Purchases	-	-	109,995	-	
11630	* Furniture & Equipment - Dwelling Purchases	-	-	6,769	-	
11640	* Furniture & Equipment - Administrative Purchases	-	-	18,275	-	
11650	* Leasehold Improvements Purchases	-	-	-	-	
11660	* Infrastructure Purchases	-	-	-	-	
13510	* CFFP Debt Service Payments	-	-	-	-	
13901	* Replacement Housing Factor Funds	-	-	-	-	
	* Required Information					